healthy competition, the Government has established four subsidiary companies under General Insurance Corporation of India (GIC) which is the holding company. The GIC has laid down from time to time several guidelines for promoting healthy competition amongst the four subsidiaries.

(b) In order to explore the virgin/rural areas, all the four subsidiaries have got Divisional or Branch Offices almost in all the districts throughout the country. These offices cater to the insurance requirements of the respective areas.

(c) There is no separate incentive payable for exploring the virgin areas. However, in order to encourage exploring the rural insurances, the agency commission payable to the insurance agents and the incentives payable to the Development Officers are more than those payable for other traditional business.

Non-preparation of Bank Reconciliation Statements of National Insurance Company

2656. SHRI RAJNI RANJAN SAHU: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that many Divisional Officers of National Insurance Company under Northern Regional Office do not care to prepare Bank Reconciliation Statements regularly; and

(b) if so, whether Government have noticed any fraud due to non-reconciliation of statements?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) No, Sir.

(b) No fraud has been brought to the notice of the Government in the recent past. However, in 1987, a case of defalcation was detected in a Divisional Office of the Company in New Delhi and appropriate action has been initiated against the concerned employee.

Private houses used by General Insurance Corporation on Rent

2657. SHRI RAJNI RANJAN SAHU: Will the Minister of FINANCE be pleased to state:

(a) how many private houses are being utilised by the General Insurance Corporation on rent in different cities apart from the premises owned by the Corporation; and

(b) what are the details of rent being paid to the landlords by the General Insurance Corporation?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) and (b) General Insurance Corporation of India (GIC) has two residential houses in Bombay on lease as under:—

(i) Area: 585 Sq. Ft.
Monthly rent: Rs. 950/-

(ii) Area: 550 Sq. Ft.
Monthly rent: Rs. 1,550/-

Besides, the GIC's Crop Insurance Cell has 44 residential houses on lease throughout the country, the lease rent ranging from Rs. 800/- per month to Rs. 1,600/- per month.

Export obligations of companies

2658. SHRI GURUDAS DAS GUPTA: Will the Minister of COMMERCE be pleased to state what action Government propose to take to ensure that companies stick to their export obligations so as to reduce the increasing trade deficit?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI ARANGIL SREEDHARAN): The following penalities are liable to be imposed in respect of companies